

LGA Support Offer on Devolution

For discussion and direction.

Summary

This paper sets out proposals for how the LGA can help councils access support to make progress on devolution.

Recommendation:

Members are asked to consider whether the proposals would be useful to the sector or if there are other forms of support we should be considering.

Action:

Officers to pursue the activities outlined in the light of member guidance.

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LGA Support Offer on Devolution

Background

1. The success of the LGA's sector-led improvement approach has been recognised by both central and local government. It is seen as being an effective way to drive improvement and support development of local government. As the LGA has been discussing its future improvement offer with councils, we have been encouraged to play a leadership role in helping councils to prepare and position themselves on the devolution agenda.
2. As councils have been getting to grips with the devolution agenda over the past year, requests for LGA support have been increasing. Initially, the requests were primarily related to understanding the policy context. In response, the LGA published a set of on-line resources in January 2015 that includes a devolution register that offers detail about what has been achieved through the city, growth and devolution deals; a planning tool that helps councils to consider key questions to address in their proposals; and information about governance models with updates on proposed schemes.¹ These tools have been very well-received by the sector.
3. Over time, demand for the LGA to offer more intensive and bespoke assistance to groups of authorities seeking to develop new governance pitches and proposals for devolution has steadily risen. Councils that are already in combined authorities report a similar increase in requests for advice and support. In addition to continued updates on policy developments and what other places are doing, there are three broad types of assistance being sought:
 - 3.1 Brokering, i.e bringing local authorities in a place together to scope out their options, as well as facilitating more sensitive discussions about governance arrangements;
 - 3.2 Strategic, i.e offering advice on how to negotiate with Government departments and local partners; and
 - 3.3 Technical, i.e helping authorities develop the business case and deliver the financial modelling for their proposals.
4. To date, the LGA has been managing requests for bespoke assistance on a case-by-case basis. Now that the Cities and Local Government Devolution Bill has been published and the Government has extended the offer to negotiate with all places, we can expect the demand for support to ramp up even more. There is a small team at DCLG leading the work on combined authorities, and their capacity to offer support appears limited. LGA officers have written to the DCLG team to discuss how we could work together to ensure that places at different stages get the support they need.
5. Andrew Campbell, currently Acting Director General, Finance and Corporate Services at DCLG, is also about to join the LGA on secondment for eighteen months to support work offering LGA support to councils as they prepare for devolution deals, helping to bring Whitehall expertise to local negotiations. He is expected to work at the interface between councils, combined authorities and Whitehall, advising councils on the best way to

¹ http://www.local.gov.uk/devolution/-/journal_content/56/10180/6945767/ARTICLE

formulate their bids and supporting them in negotiations, as well as facilitating discussions between groups of councils on the structures and governance they may need to put in place in order to access deals.

6. The rest of this paper sets out proposals for how the LGA can help councils access support to make progress on devolution for members' consideration.

Proposals

7. Members are invited to reflect on the types of support that city regions may need to help them achieve ambitious devolution. Based on the nature of current demand, there could be three broad elements to the support offer:
 - 7.1 Peer support to provide assistance with brokering;
 - 7.2 Knowledge exchange to bolster the strategic case; and
 - 7.3 Access to technical advice.

Peer support

8. Our analysis shows that the majority of councils are in discussions about formalising sub-regional partnerships; most are still scoping out their options. The stage where places particularly seem to want help is to get from determining that they want to establish a formal partnership to working out just what that arrangement might look like. The LGA has recently arranged for a couple of places at this stage to get advice about how to proceed from members and senior officers already in combined authorities, which has been very well-received.
9. It is suggested that the LGA build on our existing peer support offer to pull together a roster of member and officer peers with first-hand experience of establishing combined authorities or other joint arrangements and negotiating with government to provide tactical advice to areas at a more formative stage. Peers could be matched to areas based on the specific issues that they are working through. By holding the ring on a peer exchange arrangement, the LGA could also help to ensure that demands on individual peers are kept at a manageable level and benefit from their feedback.

Knowledge exchange

10. We have also picked up on a strong appetite among councils to learn from each other when it comes to preparing for and delivering new responsibilities. One of the disadvantages of a process that focuses on bespoke negotiations can be that opportunities to share learning across the country can be missed, which is where the LGA could step in to assist. We could gather good practice and disseminate learning through on-line resources and events as places undertake their preparations and start to deliver on their devolution agreements. This would also give us the opportunity to track the outcomes that result from devolution, to help us strengthen the overall case.

Access to technical advice

11. Proposals for devolution will have to be backed up by detailed business cases. With the prolonged squeeze on council budgets also having led to an erosion of in-house expertise, many places are finding that they have to commission external analysis and financial modelling at significant cost. Last year, the LGA established a "Growth Advisor"

programme, which enabled local authorities to commission up to 14 days expert help to progress local economic growth initiatives. A broad range of advisors with expertise on a wide range of issues were and made available to councils. A similar initiative to enable councils to access technical expertise to develop their devolution proposals would likely be well-received.

Next steps

12. Members are asked to consider whether the above proposals would be useful to the sector or if there are other forms of support we should be considering. Based on members' steer and discussions with DCLG, officers will develop more detailed proposals for a programme of support. We would expect the sector's support needs to change over time so would also build in a review and evaluation process.
13. An update will be provided at the next meeting of the Board in October 2015.